

# **SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS**

## **Administration Committee Minutes**

**December 4, 2003**

**THE FOLLOWING MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE ADMINISTRATION COMMITTEE. AUDIO CASSETTE TAPES OF THE MEETING ARE AVAILABLE FOR LISTENING IN SCAG'S OFFICE.**

The Administration Committee of the Southern California Association of Governments held its meeting at the SCAG Offices, 818 W. 7<sup>th</sup> Street, 12<sup>th</sup> Floor, Los Angeles, CA 90017. The meeting was called to order by the Chairperson, Mayor Richard Dixon, City of Lake Forest. There was a quorum.

### **1.0 CALL TO ORDER**

Chairman Richard Dixon called the meeting to order at 9:05 a.m.

#### **Committee Members Present:**

Mayor William Alexander	City of Rancho Cucamonga
Mayor Pro-Tem Harry Baldwin	City of San Gabriel
Mayor Ron Bates	City of Los Alamitos
Mayor Richard Dixon	City of Lake Forest
Mayor Lee Ann Garcia	City of Grand Terrace
Mayor Pro-Tem Sandy Jacobs	City of El Segundo
Supervisor Hank Kuiper	County of Imperial
Supervisor Judy Mikels	County of Ventura
Mayor Bev Perry	City of Brea
Mayor Pro-Tem Greg Pettis	City of Cathedral City
Mayor Ron Roberts	City of Temecula

#### **Committee Members Absent:**

Mayor Pro-Tem Mike Dispenza	City of Palmdale
Councilmember Alta Duke	City of La Palma
Mayor Ron Loveridge	City of Riverside
Councilmember Keith McCarthy	City of Downey
Councilmember Pam O'Connor	City of Santa Monica
Mayor Pro Tem Bea Proo	City of Pico Rivera
Councilmember Sidney Tyler	City of Pasadena
Councilmember Dennis Washburn	City of Calabasas
Councilmember Toni Young	City of Port Hueneme
Councilmember Bob Yousefian	City of Glendale

#### **Staff Present:**

Ed Paul	Internal Auditor
Charlie Wagner	Acting Manager of Finance

#### **Others Present:**

Jeff Lustgarten	Cerrell
Zahi Faranesh	SCAG
Ty Schuilling	SANBAG
Sondra Balmir	FTA/FHWA

## **2.0 PUBLIC COMMENT PERIOD**

None

## **3.0 CONSENT CALENDAR**

The Consent Calendar was MOVED (Mayor Bev Perry), SECONDED (Supervisor Ron Roberts) and UNANIMOUSLY APPROVED.

### **3.1 Approval Items**

#### **3.1.1 Approval of November 6, 2003 Minutes**

#### **3.1.2 Approval of Contracts**

- Kaku Associates, Inc.
- Leachman & Associates
- SAP Public Services, Inc.
- Thomas Brothers
- Avaya Financial Services

#### **3.1.3 Approve Resolution 03-448-2 for a Certificate of Consent to Self Insure Workers' Compensation Liabilities**

#### **3.1.4 Approve Resolution 03-448-3 Amending SCAG's Health Care Reimbursement Plan**

### **3.2 Receive & File**

#### **3.2.1 Conflict of Interest Listing **(Info Only) RC Attachment****

#### **3.2.2 Contracts & PO's between \$5,000 - \$25,000**

#### **3.2.3 Summary of Key Issues and Actions Taken by the Policy Committees in December**

## **4.0 ACTION ITEMS**

### **4.1 Administration Committee Report**

#### **4.1.1 Annual Financial Statements, Single Audit & Management Letter For Fiscal Year 2003**

Bert Becker informed the Committee that since we did not have all of the financial reports in final form last meeting, they are being distributed today. He clarified that this item is only a receive and file item and no action is necessary.

#### 4.1.2 Audit/Best Practices Subcommittee Charter

Bert Becker stated that there was discussion a couple of months ago regarding the charter, it went back to the Audit Subcommittee and they reworked the provisions, such as roles of the Audit Subcommittee, Administration Committee and Regional Council.

Ed Paul added that SCAG Legal recommended the Audit Committee be a Subcommittee because a Committee can not report to another Committee and that the Executive Director travel be removed as a Subcommittee assignment and made a review by the President.

Bev Perry asked that on Page 83, last bullet, 2<sup>nd</sup> line, "Audit" should read Auditor.

The item was MOVED (Councilmember Bev Perry), SECONDED (Supervisor Ron Roberts) and UNANIMOUSLY APPROVED.

#### 4.1.3 2004-2005 OWP Priorities

Janet Henderson informed the Committee that the identified priorities have been reviewed by SCAG management and the Subregions and they concur they are in line with what we need to accomplish next year.

SCAG will complete all of the required projects necessary for an MPO and will complete any projects identified through the RTP process.

The item was MOVED, (Councilmember Bev Perry), SECONDED (Mayor Lee Ann Garcia) and UNANIMOUSLY APPROVED.

### 5.0 INFORMATION ITEMS

#### 5.1 Monthly Financial Report

Bert Becker stated that SCAG has received a draft of the FMO audit with only two minor issues which are being corrected. In all it was a very clean audit. Once it is in final form, it will be brought to this committee for review.

Bert Becker informed the Committee that as of today, SCAG is currently debt free with regard to the Line of Credit. This means SCAG is utilizing the Line of Credit less and paying it off quicker. SCAG will be making a draw on the line in about one week.

Bert Becker stated that there is a good chance that the bank will go to a 60-day re-payment schedule for the line of credit, which means SCAG can stop utilizing the rapid pay program with Caltrans. This will save SCAG approximately \$30 - \$40,000 a year in overall interest expense.

5.2 Personnel Committee Report

Councilmember Ron Bates informed the committee that the Comprehensive Training Program will go into effect the beginning of the calendar year. It includes mandatory and elective training. Attendance will be monitored and tracked by the Human Resources Department.

The Pay For Performance System has been implemented and the Compensation System has been reviewed. All employees have been moved to the fiscal year review cycle. SCAG is moving ahead with the 3% base salary increases for employees who meet their standards. Employees who are at the top of their range will receive a one-time lump sum payment rather than adding to their base salary.

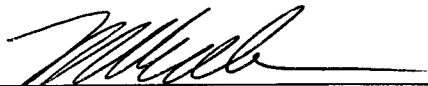
6.0 FUTURE AGENDA ITEMS

7.0 ANNOUNCEMENTS

There will not be a meeting in January. The next meeting is scheduled for February 5, 2004.

8.0 ADJOURNMENT

Chairman Richard Dixon adjourned the meeting at 9:23 a.m.



Bert Becker, Chief Financial Officer  
Staff to the Administration Committee